

**APPROVED MINUTES
ALLIANCE OF SCHOOLS FOR COOPERATIVE INSURANCE PROGRAMS
(ASCIPI)**

EXECUTIVE COMMITTEE MEETING

Thursday, August 27, 2015

A meeting of the ASCIP Executive Committee was held on Thursday, August 27, 2015, at 10:00 a.m. at the ASCIP Office, 16550 Bloomfield Avenue, Cerritos, California 90703.

I. CALL TO ORDER –President Kelsch

The ASCIP Executive Committee (Executive Committee) Meeting was called to order at 10:10 a.m. by President Kelsch.

II. ROLL CALL - Clerk of the Executive Committee

Members/Alternates Present

Ms. Corinne Kelsch, President
Mr. John Vinke, Vice President
Mr. Kris Olafsson, Treasurer
Ms. Lydia Cano, Member
Mr. John Didion, Member
Mr. Phil Hillman, Alternate
Ms. Susan Hume, Alternate
Ms. Angela Jones, Member
Mr. Vahe Markarian, Member
Dr. Nancy Nien, Member
Dr. Joanne Schultz, Alternate
Ms. Ann Sparks, Member
Mr. Jeff Starr, Alternate
Ms. Irene Sumida, Alternate
Mr. Fred Williams, Member

Members/Alternates Absent

Mr. Luis Camarena, Alternate
Mr. Michael Clear, Alternate
Ms. Teresa Dreyfuss, Alternate
Ms. Kathy Everhart, Member
Mr. Michael Johnston, Member
Ms. Karen Kimmel, Alternate
Ms. Janece Maez, Member
Ms. Thuy Nguyen, Alternate
Ms. Barbara Ott, Alternate
Dr. Stefanie Phillips, Alternate
Ms. Andrea Reynolds, Alternate

Others Present

Ms. Nancy Anderson
Mr. Stephan Birgel
Mr. Reshan Cooray
Mr. Robert Feldhake, Esq.
Ms. Lucy Gonzalez
Mr. Kevin Hobby
Ms. Nidra Kumaradas
Mr. Jonathan Lackey
Mr. Russell O'Donnell
Mr. Dan Sanger
Ms. Lynn Truong
Ms. Felicia Williams

Mr. Fritz J. Heirich, ex officio

III. APPROVAL OF AGENDA – President Kelsch

On **MOTION** of Ms. Jones, **SECONDED** by Dr. Nien, and **CARRIED**, the Agenda was approved as amended.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

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IV. Minutes of the Regular Executive Committee Meeting of June 24, 2015

On **MOTION** of Dr. Nien, **SECONDED** by Ms. Hume and **CARRIED**, the Minutes of the Regular Executive Committee Meeting of June 24, 2015, were approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

V. PUBLIC COMMENTS – President Kelsch

There were no attendees from the public.

VI. REPORTS/PRESENTATIONS/DISCUSSION

A. Chair Report

President Kelsch wished everyone a good year.

B. Financial Report

Treasurer Olafsson highlighted ASCIP expenditures, members' contributions, and cash balances for the month of June 30, 2015.

C. Committee Reports

1. Claims/Coverage Committee

Chair Cano reported that the Claims/Coverage Committee met prior to this meeting, and reviewed a number of claims in Closed Session and gave direction to staff regarding approvals and recommendations. We were unable to review the claims trends and have requested staff place them on the September agenda.

D. Staff Reports

1. Chief Executive Officer

Mr. Heirich reported on the operational activities. His report included comments about the recent Ad Hoc Committee meeting on the Risk Management Deposit Fund. Their recommendations will be presented to the Committee at a later meeting. Additional Mr. Heirich reported on the upcoming conferences and strategic planning meeting.

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E. Board Member/Alternate Comments

There were no board member/alternate comments.

VII. INFORMATION ITEMS

A. Claims Administration Audit:

1. Property/Liability
2. Workers' Compensation

Mr. O'Donnell reported on the property/liability and workers' compensation claims audits performed by Marsh. The Executive Committee recommended staff have another audit performed on the workers' compensation program next year to reexamine the changes that were implemented.

VIII. ACTION ITEMS

A. Governance

1. Election of Officers

The Executive Committee elected the following slate of officers for the 2015-16 program year as recommended by the Ad Hoc Nominating Committee:

President – Corinne Kelsch, SCCSIG

Vice President – John Vinke, Lawndale SD

Treasurer – Kris Olafsson, MERGE JPA

On **MOTION** of Mr. Olafsson, **SECONDED** by Dr. Nien and **CARRIED**, Item #VIII.A.1 was approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

2. Appointment of Alternate

The Executive Committee appointed Ms. Yumi Takahashi as an alternate on the Executive Committee.

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On **MOTION** of Mr. Vinke, **SECONDED** by Mr. Didion and **CARRIED**, Item #VIII.A.2 was approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

3. Appointment of Sub-Committee Members

The Executive Committee appointed Mr. Jean Aldrete, Ms. Judyanne Chitlik, and Ms. Felice Quisol as sub-committee members.

On **MOTION** of Ms. Cano, **SECONDED** by Ms. Jones and **CARRIED**, Item #VIII.A.3 was approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

B. Approval of Member Request for Early Withdrawal

This was for discussion only. No action was taken.

C. Approval of ASCIP Support for School Business Management Certificate Program

On **MOTION** of Mr. Williams, **SECONDED** by Ms. Jones and **CARRIED**, Item #VIII.C was approved as presented.

Aye: (10) – Cano, Didion, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (1) – Hillman

D. Approval of ASCIP Assistance to Members

On **MOTION** of Ms. Sparks, **SECONDED** by Ms. Cano and **CARRIED**, Item #VIII.D was approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

IX. ADJOURNMENT TO CLOSED SESSION – 11:20 a.m.

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By order of **GENERAL CONSENSUS**, the Executive Committee adjourned to Closed Session for discussion of the following matters.

A. Summary of Open Claims Reported to ASCIP's excess insurers and reinsurers: SELF, MARP, Markel, and Brit

This item was for information only. No action was taken.

B. Summary of Coverage Declination

This item was for information only. No action was taken.

C. Claims for Review/Action/Information

1. Deshazer vs. Pasadena Unified School District

On **MOTION** of Ms. Jones, **SECONDED** by Ms. Cano, and **CARRIED**, the Executive Committee took action in Closed Session on Deshazer vs. Pasadena Unified School District.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

2. Jun vs. Chaffey Joint Union High School District

On **MOTION** of Ms. Cano, **SECONDED** by Ms. Jones, and **CARRIED**, the Executive Committee took action in Closed Session on Jun vs Chaffey Joint Union High School District.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

3. Loulakis vs. Downey Unified School District

On **MOTION** of Ms. Cano, **SECONDED** by Ms. Jones, and **CARRIED**, the Executive Committee took action in Closed Session on Loulakis vs. Downey Unified School District.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

4. O'Loughlin vs. Berkeley Unified School District

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On **MOTION** of Mr. Didion, **SECONDED** by Mr. Olafsson, and **CARRIED**, the Executive Committee took action in Closed Session on O'Loughlin vs. Berkeley Unified School District.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

5. Thibault vs. Moreno Valley Unified School District

On **MOTION** of Ms. Jones, **SECONDED** by Ms. Cano, and **CARRIED**, the Executive Committee took action in Closed Session on Thibault vs. Moreno Valley Unified School District.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

6. Wilson vs. Newhall Elementary School District

On **MOTION** of Ms. Cano, **SECONDED** by Ms. Jones, and **CARRIED**, the Executive Committee took action in Closed Session on Wilson vs. Newhall Elementary School District.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

D. Chief Executive Officer Performance Evaluation

This matter was for discussion only. No action was taken.

X. RETURN TO OPEN SESSION

By order of GENERAL CONSENSUS, the Executive Committee returned to Open Session at 12:05 p.m. President Kelsch announced that the Executive Committee took action in closed session on Item #IX.C.1 through Item #IX.C.6 in accordance with staff's recommendation.

XI. ACTION REQUESTED

A. Personnel Matters

1. Chief Executive Office Compensation

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The Executive Committee discussed the existing contract and bonus provisions, addressed the efforts and performance by the Chief Executive Officer, and proposed a discretionary bonus of 5% of the base salary and a 5% salary increase effective July 1, 2015.

In addition, the Executive Committee agreed to extend the Agreement with the Chief Executive Officer to June 30, 2018, and gave direction to General Counsel to prepare a formal Amendment to the existing Agreement and authorized the President and CEO to execute the Amendment and bring to the September meeting for formal ratification in Open Session.

On **MOTION** of Mr. Williams, **SECONDED** by Ms. Hume and **CARRIED**, Item #XI.A.1 was approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams
Nay: (0)
Abstentions: (0)

2. Approval of Employee Professional Education

The Executive Committee approved providing discretionary tuition assistance to select ASCIP personnel and authorized the CEO, CFO and General Counsel to prepare and execute any and all necessary documents to memorialize the terms.

On **MOTION** of Ms. Jones, **SECONDED** by Mr. Hillman and **CARRIED**, Item #XI.A.2 was approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams
Nay: (0)
Abstentions: (0)

3. Approval of New Job Description

The Executive Committee approved the new job description and promotion to move the Sr. Director of Health Benefits to Executive Director of Health Benefits and to engage Total Compensation Solutions to benchmark the salary range for the position as well as two other management positions.

On **MOTION** of Mr. Didion, **SECONDED** by Ms. Jones and **CARRIED**, Item #XI.A.3 was approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams
Nay: (0)
Abstentions: (0)

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4. Approval of Annual Changes to Salary Range Schedule

The Executive Committee approved an increase to the salary ranges for fiscal year 2015-16.

On **MOTION** of Mr. Didion, **SECONDED** by Mr. Olafsson and **CARRIED**, Item #XI.A.4 was approved as presented.

Aye: (11) – Cano, Didion, Hillman, Hume, Jones, Kelsch, Markarian, Nien, Olafsson, Sparks, Williams

Nay: (0)

Abstentions: (0)

XII. FUTURE MEETINGS

September 24, 2015 – Claims/Coverage Committee

September 24, 2015 – Executive Committee

XIII. ADJOURNMENT

By order of **GENERAL CONSENSUS**, the Executive Committee adjourned at 12:37 p.m.

The next regular meeting of the Executive Committee will be held on Thursday, September 24, 2015, at the ASCP Office, 16550 Bloomfield Avenue, Cerritos, CA 90703.